



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FINAL FISCAL NOTE

Drafting Number: LLS 20-1130
Prime Sponsors: Rep. Garnett; Neville
Sen. Fenberg; Holbert

Date: July 27, 2020
Bill Status: Signed into Law
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Bill Topic: LEGISLATIVE COUNCIL STAFF INITIATIVE FISCAL SUMMARY

- Summary of Fiscal Impact:
- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

This bill modifies the timing and format of fiscal analyses prepared by nonpartisan legislative staff for citizen-initiated ballot measures. The bill decreases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2020-21, this bill requires and includes a decrease in appropriations of \$7,865 to the Legislative Department.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under HB 20-1416

Table with 3 columns: Category, FY 2020-21, FY 2021-22. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total, Total FTE), Transfers, and TABOR Refund.

Summary of Legislation

This bill makes several changes to the process by which Legislative Council Staff (LCS) provides fiscal information during the citizen initiative process. Under current law, LCS provides a fiscal impact statement for each citizen initiative heard by the Title Board, as well as an abstract of the fiscal impact statement that is printed on initiative petitions circulated for signature. Under this bill, LCS will only prepare fiscal impact statements for citizen initiatives that have a title set and for which the Secretary of State has approved a petition for circulation. The fiscal impact statement must be posted on www.ColoradoBlueBook.com within 14 days of the date on which the petition is approved to circulate.

Because the fiscal impact statement will be prepared after the title setting process, the bill requires LCS to prepare a fiscal summary of each measure for the Title Board, rather than an abstract based on the fiscal impact statement. The fiscal summary must provide:

- a description about the measure's fiscal impact, including a preliminary estimate of any change in state and local government revenues, expenditures, taxes, or fiscal liabilities if implemented;
- a qualitative description of the economic impacts of the measure if implemented; and
- any other necessary information from the initiated measure or a description of state and local government implementation to describe the fiscal and economic impacts.

The bill allows any voter to challenge the fiscal summary in a similar manner as the abstract of the fiscal impact statement under current law via the rehearing process at the Title Board. In addition, interested persons may submit information or draft language to LCS for consideration during preparation of the fiscal summary and fiscal impact statement. Lastly, the bill adjusts required language that appears on printed petition sections and in the fiscal summary to align with the changes under the bill.

Background and Assumptions

Starting in 2017, following passage of House Bill 15-1057, LCS began preparing fiscal impact statements for all ballot measures heard by the Title Board. During the 2017-2018 ballot cycle, LCS prepared 99 fiscal impact statements for citizen initiatives at the Title Board. During the 2019-2020 ballot cycle, LCS prepared 127 fiscal impact statements. LCS was appropriated funding for 0.3 FTE in House Bill 15-1057, based on an assumed 80 fiscal impact statements prepared every two years.

This fiscal note assumes that, with the changes under the bill, fiscal impact statements will be prepared for approximately 30 citizen initiatives every two years for measures that are approved for petition circulation. Fiscal summaries are assumed to be prepared for approximately 110 to 140 ballot measures heard by the Title Board every two years.

State Expenditures

This bill decreases General Fund expenditures in the Legislative Department by \$9,522 and 0.1 FTE per year starting in FY 2020-21. These cost savings are described below.

Personal services. The bill reduces staffing costs since LCS will now prepare fewer fiscal impact statements due to the shift in timing of when they are required in the initiative process. Personal services cost savings are estimated to be \$7,865 and 0.1 FTE per year. LCS will continue to have workload to prepare fiscal summaries that include preliminary fiscal estimates, review information submitted by proponents and interested persons, and attend Title Board hearings.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to decrease by \$1,657 per year starting in FY 2020-21.

Effective Date

The bill was signed into law by the Governor on July 2, 2020, and takes effect November 1, 2020, assuming no referendum petition is filed. It applies to initiatives that are submitted to the Title Board on or after this effective date.

State Appropriations

For FY 2020-21, this bill requires and includes a reduction in General Fund appropriations of \$7,865 to Legislative Council Staff in the Legislative Department, and a reduction of 0.1 FTE.

State and Local Government Contacts

Judicial
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